Monthly Income Plan

Not an assured income scheme

We have maintained the portfolio duration while totally eliminating exposure to GOI securities. We intend to maintain the current portfolio duration until clarity emerges on macroeconomic factors. The equity component accounts for a tad in excess 10% of assets and is invested in large-cap stocks. Ownership is in stocks at the top-end of the large-cap space; we expect to maintain this stance in prevailing macro-environment.

Fund Managers Satish Ramanathan & K Ramkumar

Fund Facts

NAV:
Rs 13.3189-Growth
Rs 9.8069-Monthly Dividend
Rs 10.0692-Quarterly Dividend
Rs 9.9164-Half Yearly Dividend

Objective: Seek regular income
Fund Type: Open-end
Allotment: January 2004
Benchmark: CRISIL MIP Blended Index
Bloomberg Code: SUNMIFG IN
AUM: Rs 30 crore
Options: Growth, Dividend Payout, Dividend Re-investment

Minimum Amount

First investment	Rs 5,000
SIP Monthly	Rs 250
SIP Quarterly	Rs 750

Load Structure:

Load Type & Holding Period	Investment Amount	
	= or < Rs 10 lakh	> Rs 10 lakh
Entry Load	Nil	Nil
Exit Load (redemption within 6 months)	0.5%	Nil
Exit Load (redemption after 6 months)	Nil	Nil

No entry load for direct investment. Period mentioned in exit load will be reckoned from the date of allotment.

Risk factors/Disclosures/Disclaimer: Page 28

Portfolio

Company	Weight %
Bharti Airtel	2.8
ITC	2.4
State Bank Of India	2.3
Reliance Industries	2.3
ICICI Bank	2.0
Rural Electrification Corporation	0.0
Equity Total	**11.8**
EXIM Bank	6.3
N A B A R D	7.9
Union Bank of India	3.3
H D F C	7.2
N A B A R D	6.5
Tata Sons	1.3
Debt Total	**32.5**
Cash & Equivalents	*55.7*
Total	**100.0**
Average Maturity of Debt Portfolio	1.26 years
Average Duration of Debt Portfolio	1.03 years
Yield To Maturity	9.03%

Positioning: Income plus

Performance

Period	Annual Return (%)	
	Fund	Benchmark
Since Inception	**6.4**	**6.1**
Last 3 years	**5.2**	**7.1**
Last 2 years	**3.9**	**6.3**
Last 1 year	**1.2**	**3.8**

Past performance may or may not be sustained in future.
Computed using NAV of Growth Option on compounded annual basis.

Dividend History

		Dividend Declared	Rs. per unit Dividend	Record Date	NAV as on Record Date
Monthly					
	Corporate	0.82%	0.0817	04/05/07	10.1365
		0.82%	0.08153	21/09/07	10.3532
		0.82%	0.08153	19/10/07	10.3772
		0.82%	0.08153	16/11/07	10.5973
		0.82%	0.08153	20/12/07	10.6005
		0.82%	0.08153	04/01/08	10.5936
		0.82%	0.08153	15/02/08	10.2528
	Non Corporate	0.88%	0.0877	04/05/07	10.1365
		0.88%	0.08759	21/09/07	10.3532
		0.88%	0.08759	19/10/07	10.3772
		0.88%	0.08759	16/11/07	10.5973
		0.88%	0.08759	20/12/07	10.6005
		0.88%	0.08759	04/01/08	10.5936
		0.88%	0.08759	15/02/08	10.2528
Quarterly					
	Corporate	2.04%	0.2038	20/07/07	10.7576
		2.45%	0.2446	24/12/07	11.1743
		2.04%	0.2038	28/03/08	10.4891
	Non Corporate	2.19%	0.2190	20/07/07	10.7576
		2.63%	0.2628	24/12/07	11.1743
		2.19%	0.219	28/03/08	10.4891
Half Yearly					
	Corporate	2.45%	0.2446	20/07/07	11.0341
		4.89%	0.4892	24/12/07	11.4159
		2.85%	0.2853	28/03/08	10.4336
	Non Corporate	2.63%	0.2628	20/07/07	11.0341
		5.26%	0.5256	24/12/07	11.4159
		3.07%	0.3066	28/03/08	10.4336

Help guide for Risk Metrics

NAV-based returns have been used in calculating all the numbers in `Risk Metrics' table.

Mean Monthly Return: This is the average of monthly returns since launch.

Standard Deviation: This indicator tells how the monthly/weekly returns as the case may be are deviating from the mean returns of the fund and is calculated for the same period as mean returns. This gives an indication of the volatility in the returns of the fund. This indicator hence should be read in conjunction with Mean returns and not to be used alone.

Beta: This measure is also calculated basing on the monthly returns. It considers the benchmark returns and finds out the extent to which fund moved in relation to benchmark. For example, a figure of 0.9, means that if index falls by 1%, this fund's NAV should decline by 0.9%

Alpha: It is the excess return generated by the fund above its expected rate of return. The expected rate or return is the return of the index multiplied by the beta.

Sharpe: This ratio is a measure of the fund's risk-adjusted returns per unit of risk (risk measure used is standard deviation). It is calculated by deducting the risk-free rate of return from the average monthly returns and dividing the result by the standard deviation. In general, higher the Sharpe ratio, the better it is as an indicator of risk-adjusted returns.

Treynor: This ratio is a measure of the fund's risk-adjusted returns per unit of market risk (risk measure used is beta). It is calculated by deducting the risk-free rate of return from the average monthly return and dividing the result by the beta of the fund.

Tracking error: This is a measure of how closely a portfolio follows the index to which it is benchmarked. It measures the standard deviation of the difference between the portfolio and benchmark returns. Tracking error (also called active risk) is a measure of the deviation from the benchmark. An actively managed portfolio would normally have a higher tracking error. If tracking error is measured historically, it is called 'realised' or 'ex post' tracking error. If a model is used to predict tracking error, it is called 'ex ante' tracking error. The former is more useful for reporting performance, whereas ex ante is generally used by portfolio managers to control risk

Information Ratio: This is a measure the excess return of the fund over the benchmark by the amount of risk the manager takes relative to a benchmark. Risk measure to compute information ratio is tracking error.

Correlation: This number shows the relationship between the returns of the fund and benchmark. If the ratio is 0, it means there is no relationship between them and if it is 1, it means the two move in tandem. This ratio is also calculated for the same period as of mean returns.

Turnover: This ratio measures churn or portfolio turnover. This is calculate by dividing the lower of purchases or sales by the average daily assets for the chosen period.